



December 1, 2020

Re: WALLACE MYERS
4884 MUIRFIELD DR
LAKE CHARLES, LA 70605

Policy Number: 833646

AFFIDAVIT OF TRUE AND CORRECT COPY

- 1) My name is Jeremy D. Baczkiewicz and I am at least 21 years of age and otherwise sui juris. The facts stated herein are true and correct and are based on my personal knowledge.
- 2) I am the records custodian for Allied Trust Insurance Company located at 4200 W. Cypress St. Suite 520, Tampa, FL 33607.
- 3) The records attached are true and correct copies of the policy for WALLACE MYERS, policy number 833646 for the date of loss 08/27/2020.
- 4) The attached records were prepared by Allied Trust Insurance Company in the ordinary course of business at or near the time of the issuance of the policy and by a person or persons with knowledge of and a business duty to record or transmit those matters.

Under penalties of perjury, I declare that I have read the foregoing affidavit and the facts stated in it are true and correct to the best of my knowledge and belief.

Jeremy Baczkiewicz
Signature



PO Box 2978
Bigfork, MT 59911

ALLIED TRUST

Policy Number: 833646

WALLACE MYERS
4884 MUIRFIELD DR
LAKE CHARLES, LA 70605-5990

Please see the following page(s) for important policy information.



PO Box 2978
Bigfork, MT 59911

04/18/2020

WALLACE MYERS
4884 MUIRFIELD DR
LAKE CHARLES, LA 70605-5990

WELCOME TO ALLIED TRUST INSURANCE COMPANY

Thank you for choosing Allied Trust Insurance Company. We are pleased to serve your insurance needs and are committed to providing reliable, affordable insurance.

Please review your policy carefully to ensure that your coverage fits your individual needs. The policy declarations page lists important information about your policy, such as your mailing address, the location of the insured property, the coverages and limits you have chosen, and mortgagee information, if applicable. The policy declarations page also lists any discounts or surcharges applied to your policy. Because much of the information found on your policy declarations is used to help us determine your premium, please review the policy declarations page each time you receive one. If you find something inaccurate or wish to make a change, please contact your agent for personal service.

IMPORTANT INFORMATION FOR EASY REFERENCE

Your best source of information regarding your policy coverage and payment obligation is your local INSURANCE AGENT.

The agent responsible for servicing your policy is:
Bice Insurance LLC
1500 Solana Blvd.
Westlake, TX 76262
(337) 313-2603

To REPORT A CLAIM:

Call: (844) 200-2842 or you may call your agent.

For BILLING and POLICY QUESTIONS or to make a PAYMENT BY PHONE:

Call Toll Free: (844) 200-2842 Please have your policy number available when you call.

To MAIL A PAYMENT:

Send payment to: Allied Trust Insurance Company
PO Box 2978
Bigfork, MT 59911

Please include your remittance stub from the bottom of your invoice. Do not send cash.
Always allow time for mailing.

To make an Overnight Payment:

Send payment to: 215 S. Complex Drive
Kalispell, MT 59901

To make a PAYMENT ONLINE, go to:

www.alliedtrustins.com (Select Insured Portal)

Again, thank you for allowing Allied Trust Insurance Company to be your insurance carrier. We value your business and appreciate your trust in placing your business with us. We hope to serve you for many years to come through your local Allied Trust agent.



ADVERSE ACTION NOTICE LOUISIANA

Policy Number: 833646

Date: 04/18/2020

In connection with your application for a policy, we are unable to provide our best insurance score discount as a result of the use of credit. The most significant credit characteristics found on your credit report influencing your premium are shown below. Please note that an absence of credit characteristics below indicates that we are unable to locate a credit file for you or you do not have sufficient credit information to generate a score.

Reason Code	Description
3340	# CREDIT UNION, S&L, MORTGAGE ACCOUNTS ESTABLISHED IS 1 TO 3 7 OR MORE CREDIT UNION, S&L, MORTGAGE ACCOUNTS IS BETTER
3326	AVERAGE LENGTH OF TIME BANK REV ACCTS HAVE BEEN OPENED IS 55 TO 61 MONTHS 109 MONTHS OR MORE AVERAGE LENGTH OF TIME OPENED IS BETTER
3362	NUMBER OF ACCOUNTS OPENED IN THE LAST 6 MONTHS IS 1 TO 2 HAVING NO ACCOUNTS OPENED IN THE LAST 6 MONTHS IS BETTER
3336	# OF BANK REVOLVING ACCOUNTS WITH BALANCE TO CREDIT LINE 50% OR MORE IS 1 HAVING NO BANK REV ACCOUNTS WITH BALANCE TO CREDIT LINE 50% OR MORE IS BETTER

You have the right to know the specific items of information that support the reasons for this decision and the source of that information. You also have the right to see and obtain copies of the documents relating to this decision. If you would like additional information concerning this action, state law requires that you submit a written request within ninety (90) business days of the date this notice was mailed to you. Please send your written request to our office.

Allied Trust Insurance Corporation
4200 W. Cypress St., Suite 520
Tampa, FL 33607
1-844-200-2842

In compliance with the Fair Credit Reporting Act (Public Law 91 - 508) and the Consumer Credit Reform Act of 1996, you are hereby informed that the action taken above was done in whole or in part because of information contained in a consumer report obtained from the following consumer reporting agency:

LexisNexis Consumer Center
PO Box 105108
Atlanta, GA 30348-5108
Telephone: 800-456-6004
www.consumerdisclosure.com.

The consumer reporting agency identified on this form did not make any decisions regarding the stated insurance policy. Therefore, the consumer reporting agency would not be able to provide you with the specific reasons why the insurance company is taking the action it has. You have the right to obtain, within sixty (60) days of the receipt of this notice, a free copy of your consumer report from the consumer reporting agency identified on this form.

You have the right to dispute inaccurate information by contacting the consumer reporting agency directly. Once you have notified the consumer reporting agency of your dispute, the agency must, within a reasonable time, reinvestigate and record the current status of the disputed information. If after reinvestigation, such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question.



INSURANCE SCORING APPEAL PROCESS

This form should be used to dispute any adverse action that resulted in higher premiums based on your insurance score. Please use the following procedures in order to expedite the handling of your appeal.

If you believe that your insurance score has been adversely impacted due to an extraordinary "Life Event", you may appeal this impact to our Underwriting department. Life events include: medical bill collections; identity theft; catastrophic illness or injury; divorce; temporary loss of employment; death of a spouse, child or parent; and military deployment overseas.

Prior to the appeal, you must contact the reporting agency below and obtain copies of all relevant documentation to support your appeal.

LexisNexis Consumer Center
P.O. Box 10508
Atlanta, GA 30348-5108
1-800-456-600;
www.consumerdisclosure.com

Once you have the necessary documentation, please send them along with this form to our office.

Allied Trust Insurance Company
4200 W. Cypress St., Suite 520
Tampa, FL 33607
1-844-200-2842

Insured Name: WALLACE MYERS
Address: 4884 MUIRFIELD DR
LAKE CHARLES, LA 70605
Phone Number: (337) 368-7553
Policy Number: 833646



Allied Trust Insurance Company
4200 W. Cypress St., Suite 520
Tampa, FL 33607

Louisiana Homeowners
Policy Declaration
New Business
Insured Copy

Insured Bill

Customer and Claim Service: (844) 200-2842

DECLARATION EFFECTIVE: 05/01/2020

Policy Number 833646	Policy Effective Date: 05/01/2020 Policy Expiration Date: 05/01/2021	12:01 AM at insured location address	Form HO3
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INSURED INFORMATION:

WALLACE MYERS
4884 MUIRFIELD DR
LAKE CHARLES, LA 70605-5990
Home Phone: (337) 368-7553
Cell Phone:
Email: wwmyers21@aol.com

AGENT INFORMATION:

BICE INSURANCE LLC
1117 KIRKMAN ST.
LAKE CHARLES, LA 70601
Phone: (337) 313-2603
Email: mailbox@goosehead.com
Agency Code: 8643

INSURED LOCATION ADDRESS:

WALLACE MYERS
4884 MUIRFIELD DR
LAKE CHARLES, LA 70605
Parish: CALCASIEU

PREMIUM SUMMARY

TOTAL POLICY PREMIUM	POLICY FEES	TOTAL ANNUAL PREMIUM
\$1,367.00	\$92.00	\$1,459.00

Coverage at the residence premises is provided only where a limit of liability is shown or a premium stated.

Coverages - Section I	Limit	Premium
Coverage A - Dwelling	\$280,000	\$1,515
Coverage B - Other Structures	\$5,600	\$-45
Coverage C - Personal Property	\$112,000	\$-122
Coverage D - Loss of Use	\$28,000	\$-46
Coverages - Section II		
Coverage E - Personal Liability	\$300,000	\$55
Coverage F - Medical Payments to Others	\$5,000	\$10
OTHER COVERAGES AND ENDORSEMENTS (printed on following page)	Total Policy Premium	\$1,367

Assessments and Fees

2020 LA Fair Plan Emergency Assessment (2.60%)	\$36
Inspection Fee	\$31
MGA Fee	\$25
Total Policy Premium, Assessments, and Fees	\$1,459

Policy Deductibles

All Other Perils (Incl. Other Wind/Hail) Deductible	\$2,500
Calendar Year Named Storm Deductible	2% \$5,600

Payment Information

Insurance is paid by:	Insured
Payment Plan	1-Pay

MORTGAGEE / ADDITIONAL INSURED / ADDITIONAL INTEREST INFORMATION

Mortgagee:

1. PETER ROMERO, 6115 E AZALEA DR, LAKE CHARLES, LA 70605, LoanId: 0001

**THIS POLICY CONTAINS SEPARATE DEDUCTIBLES FOR HURRICANE AND
OTHER WIND AND HAIL LOSSES WHICH MAY RESULT IN HIGH OUT-OF-
POCKET EXPENSES TO YOU.**

PREMIUM SUMMARY

Policy Number 833646	Policy Effective Date: 05/01/2020 Policy Expiration Date: 05/01/2021	12:01 AM at insured location address	Form HO3
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The All Other Peril portion of your Total Policy Premium is: \$462.41
The Named Storm portion of your Total Policy Premium is: \$751.67
The Other Wind and Hail portion of your Total Policy Premium is: \$153.01

POLICY FORMS AND ENDORSEMENTS

Number	Edition	Description	Limit/PCT	Deductible*	Premium
ALLIED LA AA N	19.04	Adverse Action Notice and Appeal			
HO P 002	06 11	Homeowners Policy Disclosure			
ALLIED LA CHC N	16 03	Chargeable Claims Notice			
ALLIED HO LMC	16 03	Limited Fungi, Wet or Dry Rot Or Bacteria Coverage	\$10,000		
ALLIED HO3 LA PJKT	19.04	HO3 Policy Jacket			
ALLIED LA ISC N	16 03	Insurance Score Notice			
ALLIED PRV N	19.04	Privacy Notice			
ALLIED HO3 SP LA	19 09	Special Provisions Louisiana			
HO 00 03	05 11	Homeowners 3 Special Form			
HO P 004	05 11	Limited Home Day Care Coverage Notice			
IL P 001	01 04	U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders			
ALLIED HO CYNS LA	16 06	Calendar Year Named Storm Deductible	2%		Included
ALLIED HO WBK LA	16 03	Limited Water Back-Up And Sump Discharge Or Overflow Coverage- Louisiana	\$5,000		\$25
HO 04 90	05 11	Personal Property Replacement			Included
ALLIED HO PAF LA	16 05	Premises Burglar or Fire Alarm/Protection System			Included
Allied HO3 AIC	19.09	Automatic Increase in Coverage			
ALLIED NBW L	16 03	Welcome To Allied Trust Insurance Company			

*Policy Deductible applies unless otherwise stated.

SCHEDULED PROPERTY

DISCOUNTS AND SURCHARGES

Discounts	\$/Applied
Building Code (Wind Resistant)	Applied
Burglary Prevention	Applied
Companion Auto Discount	Applied
Fire Prevention	Applied
Hip Roof	Applied
Loss Free	Applied
Paid in Full/Easy Pay	Applied
Total Discounts	\$0
Surcharges	\$/Applied
Total Surcharges	\$0

Dwelling Information

Construction Type	Masonry Veneer
Construction Year	2008
Exterior Siding	Brick Veneer
Foundation Type	Slab on Ground
Number of Stories	1.5+ Story
Purchase Date	04/09/2016
Replacement Value	\$263,222.00

Rating Information

All Other Peril Territory	28
Fire Hydrant within 1,000 feet	YES
Fire Station within 5 road miles	YES
Household Size	1
Hurricane Zone	Zone B
Latitude	30.169404
Longitude	-93.276386

Policy Number 833646	Policy Effective Date: 05/01/2020 Policy Expiration Date: 05/01/2021	12:01 AM at insured location address	Form HO3
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Residence Type	Single Family	Occupancy	Owner
Roof Replacement Year	2008	Public Protection Class	2
Roof Shape	Hip - 90%	Usage	Primary
Roofing Material	Architectural Shingle		
Square Footage	2300		

Policy Number 833646	Policy Effective Date: 05/01/2020 Policy Expiration Date: 05/01/2021	12:01 AM at insured location address	Form HO3
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**THIS POLICY DOES NOT PROTECT YOU AGAINST LOSS DUE TO FLOOD.
CONTACT YOUR AGENT TO APPLY FOR COVERAGE**

ANIMAL LIABILITY EXCLUDED

**THIS POLICY DOES NOT PROVIDE LIABILITY COVERAGE FOR LOSSES CAUSED
BY ANY ANIMALS.**

**SPECIAL CONDITIONS: PLEASE READ YOUR POLICY DOCUMENTS
CAREFULLY AS SPECIAL CONDITIONS AND EXCLUSIONS APPLY. EXCLUSIONS
INCLUDE, BUT ARE NOT LIMITED TO:**

- **NO LIABILITY FOR TRAMPOLINES**
- **NO LIABILITY FOR DIVING BOARDS OR POOL SLIDES**
- **NO LIABILITY FOR SKATEBOARD OR BICYCLE RAMPS**
- **NO LIABILITY FOR RECREATIONAL VEHICLES OF ANY TYPE**
- **NO LIABILITY FOR PERSONAL WATERCRAFT**
- **NO LIABILITY FOR ELECTRONIC AGGRESSION**
- **NO LIABILITY FOR HYDRAULIC FRACTURING**
- **NO LIABILITY FOR FUEL SYSTEMS**
- **NO LIABILITY FOR MODEL/HOBBY AIRCRAFT AND DRONES**

This declaration replaces all previously issued policy declarations, if any. This policy applies only to accidents, occurrences or losses which happen during the policy period stated above. Refer to your policy and endorsements for details regarding your coverages, limits, and exclusions.



Authorized Signature

April 18, 2020

Date

IMPORTANT INFORMATION REQUIRED BY THE LOUISIANA DEPARTMENT OF INSURANCE

Homeowners Insurance Policy Coverage Disclosure Summary

This form is promulgated pursuant to LSA-R.S. 22:1332 and 22:1337.

THIS IS ONLY A SUMMARY OF YOUR COVERAGE AND DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGES OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY. INSURANCE IS A CONTRACT. THE LANGUAGE IN YOUR POLICY CONTROLS YOUR LEGAL RIGHTS.

****READ YOUR INSURANCE POLICY FOR COMPLETE
POLICY TERMS AND CONDITIONS****

COVERAGE(S) FOR WHICH PREMIUM WAS PAID:

Coverage A - Dwelling	\$280,000
Coverage B - Other Structures	\$5,600
Coverage C - Personal Property	\$112,000
Coverage D - Loss of Use	\$28,000
Coverage E - Personal Liability	\$300,000
Coverage F - Medical Payments to Others	\$5,000
Other(s):	

Deductibles

This policy sets forth certain deductibles that will be applied to claims for damages. When applicable, a deductible will be subtracted from your total claim and you will be paid the balance subject to applicable coverage limits.

- You may be able to reduce your premium by increasing your deductible. Contact your producer(agent) or insurer for details.

NOTICE: This policy does set forth a separate deductible for covered losses caused by hurricanes, named storms, or wind damage as defined in the policy.

Separate Deductible Examples - Hurricane, Wind or Named Storm Damage

If applicable, the following illustrates how a separate deductible applying to hurricane, wind or named storm damage is applied under your policy:

The insurer shall comply with LSA-R.S. 22:1332.B(6) by selecting either Option A. or B. below:

- A. Developing its own standardized example to reflect how a hurricane, wind or named storm damage loss will be adjusted under the policy. The standardized example shall set forth a separate loss under Coverage A, B, C, and D and the total of all losses combined shall exceed by at least ten percent (%10) the applicable deductible(s) so that the example demonstrates a net payment to the insured.
- B. Utilizing the standardized example prepared by the LDOI, if this standardized example properly reflects how a separate deductible is applied to a hurricane, wind or named storm damage loss under the policy:

Standardized Example prepared by the LDOI

If the total insured value of the dwelling or coverage A is \$200,000.00 and you have a 2% hurricane, wind or named storm deductible, then your hurricane, wind or named storm deductible would be $\$200,000.00 \times .02 = \$4,000.00$

Losses

Coverage A - Dwelling	\$15,000.00
Coverage B - Other Structures	\$2,500.00
Coverage C - Personal Property	\$3,000.00
Coverage D - Loss of Use	\$2,000.00

Coverage

Total amount of all losses	\$22,500.00
Less 2% hurricane, wind or named storm deductible	\$4,000.00
Net Payment to insured	\$18,500.00

Separate Calendar Year (January 1 through December 31) Deductible
Examples - Hurricane or Named Storm Damage

If applicable, the following two examples illustrate how a Calendar Year deductible applying to hurricane or named storm damage is applied under your policy:

Example 1:

If the total insured value of the dwelling or Coverage A is \$300,000.00 and you have a 2% hurricane, wind or named storm deductible, then your hurricane, wind or named storm deductible for the calendar year would be \$300,000.00 X .02 = \$6,000.00.

Losses from first hurricane or named storm occurring in August 2011

Coverage A - Dwelling	\$25,000.00
Coverage B - Other Structures	\$5,000.00
Coverage C - Personal Property	\$2,000.00
Coverage D - Loss of Use	\$2,000.00

Coverage

Total amount of all losses	\$34,000.00
Less 2% hurricane, wind or named storm deductible	\$6,000.00
Net Payment to insured	\$28,000.00

Because the 2% hurricane, wind or named storm deductible was completely used up in its application to damage/loss that occurred from the August 2011 hurricane or named storm, the deductible that applies to all perils other than windstorm or hail (e.g., a common \$500 deductible) would be applied to any subsequent hurricane or named storm that occurred before December 31, 2011 (i.e., end of the 2011 calendar year). However, if a tornado, hailstorm or windstorm and not a subsequent hurricane or named storm causes loss or damage in that same calendar year, then the entire hurricane, wind or named storm deductible (e.g., \$6,000 as in Example 1) would apply, and not the deductible that applies to all other perils (e.g., a common \$500 deductible).

Example 2:

Using the same \$300,000 limit for Coverage A with the same 2% (\$6,000) hurricane, wind or named storm with a calendar year deductible:

Losses from first hurricane or named storm occurring in August 2011

Coverage A - Dwelling	\$2,500.00
Coverage B - Other Structures	\$1,000.00
Coverage C - Personal Property	\$1,500.00

Coverage

Total amount of all losses	\$5,000.00
Less 2% hurricane, wind or named storm deductible	\$5,000.00
Net Payment to insured	\$0.00

Deductible remaining is \$6,000-\$5,000 or \$1,000.

Losses from second hurricane or named storm occurring before december 31, 2011 (i.e., end of the 2011 calendar year):

Coverage A - Dwelling	\$15,000.00
Coverage B - Other Structures	\$5,000.00
Coverage C - Personal Property	\$2,000.00
Coverage D - Loss of Use	\$2,000.00

Coverage

Total amount of all losses	\$24,000.00
Less 2% hurricane, wind or named storm deductible	\$1,000.00
Net Payment to insured	\$23,000.00

When the loss is below the hurricane, wind or named storm deductible (as in Example 2 for the August 2011 storm), you are required to maintain receipts and any other records of such hurricane or named storm losses so that the insurer can consider the amount of such losses in calculating the remainder of the hurricane, wind or named storm deductible to be applied in the same calendar year.

TO SEE EXACTLY HOW YOUR HURRICANE, WIND OR NAMED STORM DEDUCTIBLE WILL APPLY, PLEASE REFER TO YOUR POLICY.

LIMITATIONS OR EXCLUSIONS UNDER THIS POLICY

FLOOD - Flood damage is not covered, regardless of how caused, when flood is the peril that causes the loss. Flood water includes, but is not limited to storm surge, waves, tidal water or overflow of a body of water, whether driven by wind or not.

Flood Insurance may be available through the National Flood Insurance Program (NFIP). NFIP flood insurance may provide coverage for damage to your dwelling and/or contents subject to the coverage limits and terms of the policy.

Excess Flood Insurance may be available under a separate policy, from this or another insurer, if the amount of the primary flood insurance is not enough to cover the value of your property.

- You may contact your producer(agent) or insurer for more information on the NFIP and excess flood insurance.

MOLD - Damage caused solely by Mold is not covered under this policy.

FOR ALL OTHER LIMITATIONS OR EXCLUSIONS REFER TO YOUR POLICY FOR COMPLETE DETAILS ON TERMS AND PROVISIONS

CLAIM FILING PROCESS

There may be time limitations for filing a claim and filing of a satisfactory proof of loss. There may also be time limitations for repairing and replacing damaged property that could cause you to not recover the replacement cost for the insured loss of your property, if applicable.

PAYMENT OF CLAIMS

Depending on the terms of the insurance policy, some losses may be paid based on actual cash value (ACV) and others based on replacement cost (RC).

- ACV is the amount needed to repair or replace the damaged or destroyed property, minus the depreciation.

- RC involves the initial payment of actual cash value (ACV) of a loss, and the subsequent payment of the additional amount that is actually and necessarily expended to repair or replace the damaged or destroyed property.

** Refer to your policy for the terms and conditions describing how a particular loss is to be paid.

PAYMENT AND
ADJUSTMENT
OF CLAIMS

Pursuant to LSA-R.S. 22:1892 and 22:1973, except in the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim and/or a claim for reasonable medical expenses within fourteen (14) days after notification of loss by the claimant.

In the case of a catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim within thirty (30) days after notification of loss by the claimant unless the Commissioner of Insurance promulgates a rule to extend the time period for initiating a loss adjustment for damages arising from a presidentially declared emergency or disaster or a gubernatorially declared emergency or disaster for up to an additional thirty (30) days. Thereafter, one additional extension of the period of time for initiating a loss adjustment may be allowed by the Commissioner of Insurance if approved by the Senate Committee on Insurance and the House Committee on Insurance.

All insurers shall make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after the receipt of satisfactory proof of loss of that claim.

Failure to make such payment within thirty (30) days after receipt of such satisfactory written proofs and demand therefore or failure to make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after receipt of a satisfactory proof of loss of that claim may result in a late penalty against the insurer in addition to the payment of the claim

If the insurer is found to be arbitrary, capricious or without probable cause in settling any property damage claim, the insurer must pay the insured, in addition to the amount of the loss, fifty percent (50%) damages on the amount found to be due from the insurer to the insured, or one thousand (\$1,000.00) dollars, whichever is greater, as well as reasonable attorney fees and costs, if applicable.

ALLIED TRUST INSURANCE COMPANY

**IMPORTANT NOTICE REGARDING INCREASED PREMIUMS
RESULTING FROM CHARGEABLE CLAIMS**

(Please disregard if you have not had chargeable claim)

If you have had a chargeable claim* resulting in a surcharge, a claim's surcharge will be indicated on the Declarations page. If any of the conditions listed below applies to your situation, the surcharge may be removed.

The following claims shall not be considered a chargeable claim:

- Claim resulting from a weather-related event, "Act of God", natural causes, or catastrophe event
- Claim which occurred prior to the date the insured purchased the property
- Claim with \$0 paid or claims not payable under the policy
- Claim with payout of \$500 or less
- Claim for Equipment Breakdown or Service Line Coverage only
- A loss which was subrogated and the loss amount reimbursed

Please contact your Agent or give us the full facts as to why the surcharge should be removed. If, after an increased premium is charged, it is determined that a surcharged loss is not a chargeable loss, the difference in the premium for any surcharge will be removed.

*Renewal policy only – Your first chargeable claim with Allied Trust will not be surcharged.

If you feel that a chargeable claim has been reported in error you can request a copy of the report from:

ChoicePoint Consumer Disclosure

P.O Box 105108

Atlanta, GA 30348-5108

Telephone: 1-866-527-2600

<https://personalreports.lexisnexis.com/>

If you discover an error on your report - such as an invalid claim report or an incorrect loss payment, for instance - you can contact ChoicePoint directly to report the problem. ChoicePoint must contact the insurance company that reported the claim on your behalf and ask for clarification. The company has 30 days to respond to ChoicePoint and to provide evidence that the information on the CLUE report is accurate. ChoicePoint must follow up with the insurer after 20 days if the company does not respond, and again if after 28 days it has not received a response. If the company does not respond within 30 days, ChoicePoint must remove the information from the database.

ALLIED TRUST INSURANCE COMPANY**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA
COVERAGE – LOUISIANA****SCHEDULE**

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of "occurrences", the number of claims made, or the number of locations insured under this endorsement and listed in this Schedule.		
1.	Section I – Property Coverage Limit Of Liability for the Additional Coverage "Fungi", Wet Or Dry Rot, Or "Bacteria"	\$ 10,000 Aggregate Limit
2.	Section II – Coverage E Aggregate Sublimit of Liability for "Fungi", Wet Or Dry Rot, Or "Bacteria"	\$ 10,000 per Occurrence/Aggregate Limit
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

DEFINITIONS

The following definitions are added:

"Fungi"

- a. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- b. Under Section II, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

"Bacteria"

"Bacteria" means any type, kind or form of bacterium.

SECTION I – PROPERTY COVERAGES**E. Additional Coverages**

Paragraph **10.k.(2)(d)** is deleted in Form **HO 00 05** only.

The following Additional Coverage is added:

13. "Fungi", Wet Or Dry Rot, Or "Bacteria"

- a. The amount shown in the Schedule above is the most we will pay for:
 - (1) The total of all loss payable under Section I – Property Coverages caused by "fungi", wet or dry rot, or "bacteria";
 - (2) The cost to remove "fungi", wet or dry rot, or "bacteria" from property covered under Section I – Property Coverages;

- (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry rot, or "bacteria"; and

- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or "bacteria" whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or "bacteria".

- b. The coverage described in **13.a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

- c. The amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:

- (1) Number of locations insured under this endorsement; or
- (2) Number of claims made.

This coverage does not increase the limit of liability applying to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

In Form **HO 00 03**:

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph 2.c.(5) is replaced by the following:

- (5) Caused by constant or repeated seepage or leakage of water or the presence of and/or or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure and is not directly or indirectly caused or resulting from neglect, lack of maintenance, lack of replacement or repairs.

Paragraph 2.c.(6)(c) is replaced by the following:

- (c) Smog, rust or other corrosion;

B. Coverage C – Personal Property**12. Accidental Discharge Or Overflow Of Water Or Steam**

Paragraph b.(4) is replaced by the following:

- (4) Caused by constant or repeated seepage or leakage of water or the presence of and/or or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure and is not directly or indirectly caused or resulting from neglect, lack of maintenance, lack of replacement or repairs.

In Form HO 00 05:

A. Under Coverages A, B and C:

Paragraph 2.d. is replaced by the following:

- d. Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph 2.e.(3) is replaced by the following:

- (3) Smog, rust or other corrosion;

SECTION I – EXCLUSIONS

Exclusion A.10. is added:

10. "Fungi", Wet Or Dry Rot, Or "Bacteria"

"Fungi", Wet Or Dry Rot, Or "Bacteria" meaning the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or "bacteria".

This exclusion does not apply:

- a. When "fungi", wet or dry rot, or "bacteria" results from fire or lightning;
- b. To the extent coverage is provided for in the "Fungi", Wet Or Dry Rot, Or "Bacteria" Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning; or
- c. With respect to "fungi", wet or dry rot, or "bacteria" that is located on the portion of the covered property that must be repaired or replaced because of direct physical damage caused by a Peril Insured Against.

However, the exclusion shall continue to apply to:

- (1) The cost to treat, contain, remove or dispose of "fungi", wet or dry rot, or "bacteria" beyond that which is required to repair or replace the covered property physically damaged by a Peril Insured Against;
- (2) The cost of any testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or "bacteria" whether performed prior to, during or after removal, repair, restoration or replacement; and
- (3) Any increase in loss under Coverage D – Loss Of Use and Additional Coverage 1. Debris Removal resulting from c.(1) and (2).

Direct loss by a Peril Insured Against resulting from "fungi", wet or dry rot, or "bacteria" is covered.

SECTION I – CONDITIONS

Condition Q. Policy Period is replaced by the following:

Q. Policy Period

This policy applies to loss or costs which occur during the policy period.

SECTION II – CONDITIONS

Condition **A. Limit Of Liability** is replaced by the following:

A. Limit Of Liability

Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence".

Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **F** Limit Of Liability shown in the Declarations.

However, our total liability under Coverage **E** for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or "bacteria" will not be more than the Section II – Coverage **E** Aggregate Sublimit Of Liability for "Fungi", Wet Or Dry Rot, Or "Bacteria". That sublimit is the amount shown in the Schedule. This is the most we will pay regardless of the:

1. Number of locations insured under the policy to which this endorsement is attached;
2. Number of persons injured;
3. Number of persons whose property is damaged;
4. Number of "insureds"; or
5. Number of "occurrences" or claims made.

This sublimit is within, but does not increase, the Coverage **E** limit of liability. It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of "fungi", wet or dry rot, or "bacteria" described in Condition **A. Limit Of Liability** of this endorsement, Condition **B. Severability Of Insurance** is replaced by the following:

B. Severability Of Insurance

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described in this endorsement under Section II – Conditions, **A. Limit Of Liability**. This condition will not increase the limit of liability for this coverage.

All other provisions of the policy apply.

ALLIED TRUST Insurance Company



HOMEOWNERS HO3 POLICY

Address: 4200 W. Cypress St., Suite 520
Tampa, FL 33607
1-844-200-2842

Claims: 1-844-200-2842
Customer Service: 1-844-200-2842

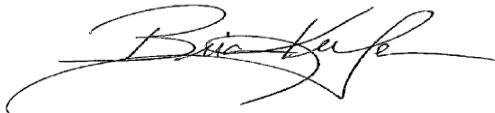
Website: www.alliedtrustins.com

IMPORTANT NOTICE!
THIS POLICY DOES NOT COVER FLOOD LOSSES.
Please contact your agent to learn more about this important coverage.

POLICY PROVISION: This Policy jacket with the Policy Declarations; Policy Form; and Endorsements issued to form a part thereof; completes the policy as numbered on the Declarations Page. Whenever your policy is modified, you will receive a dated revision of the Policy Declarations.

This policy is issued on behalf of Allied Trust Insurance Company; and by acceptance of this policy you agree:
That the statements in the Declaration are your representations;
That this policy is issued in reliance upon the truth of those representations; and
That this policy embodies all agreements existing between you and Allied Trust Insurance Company

IN WITNESS WHEREOF: In consideration of your paid premium, Allied Trust Insurance Company is proud to extend to you the coverage offered by this insurance contract.

A handwritten signature in black ink, appearing to read "Brian K. Kufe", with a stylized flourish at the end.

President and Chief Executive Officer
Allied Trust Insurance Company

ALLIED TRUST INSURANCE COMPANY

POLICYHOLDER NOTICE

What is an Insurance Score?

Allied Trust Insurance Company uses your insurance score in combination with several other factors to determine the proper pricing of your policy.

An insurance score reflects the relationship between credit and the potential for future loss experience. A high score may result in a lower premium than we may have offered had we not obtained an insurance score, while a lower score may result in a higher premium.

What an insurance score is based on:

- Late payments, collections, bankruptcies
- Length of credit history
- Outstanding debt
- New Applications for credit
- Types of credit in use

What an insurance score is not based on:

- Ethnicity
- Gender
- Handicap
- Age
- Income
- Religion
- Familial Status
- Nationality
- Marital Status
- Address

How can I improve my Insurance Score?

- Keep balances low in unsecured revolving debt, such as credit cards
- Apply for and open new credit accounts as needed
- Pay bills on time

You can increase your score over time by using credit responsibly. It is a good idea to periodically obtain a copy of your credit report.

What if a qualifying life event is impacting my credit score?

If you believe that one or more of the following events have caused a negative impact to your score you may advise the company so that we may take this additional information into consideration when determining eligibility for the Insurance Score Discount.

- Catastrophic Illness
- Temporary loss of employment
- Identity theft
- Death of a spouse or child
- Divorce
- Military Deployment Overseas

What if my credit report is wrong?

If you find errors in your credit report, you will need to report the errors to the credit-reporting agency. By law, the credit-reporting agency must investigate and respond to your request within 30 days. The three credit-reporting agencies and their contact information are provided below:

Equifax: 800-685-1111

TransUnion: 800-888-4213

Experian: 888-397-3742



PRIVACY POLICY

We value your privacy. This policy describes how we handle personal information. You can review our policy the first time we do business with you and every year you are a customer with Allied Trust Insurance Company.

OUR PRIVACY PRINCIPLES

- We do not sell customer information.
- We do not allow those who are doing business on our behalf to use our customer information for their own marketing purposes.
- We contractually require any person or organization providing products or services on our behalf to protect customer information collected by Allied Trust.
- We do not share customer medical information with anyone unless:
 - You expressly authorize it; or
 - It is permitted by law; or
 - Your insurance policy contract permits us to do so.
- We afford our prospective and former customers the same protections as existing customers with respect to the use of personal information.

WE PROTECT CUSTOMER INFORMATION

We maintain physical, electronic, and procedural safeguards to protect nonpublic personal information and to comply with federal and state laws. In addition, we regularly review our policies and practices, monitor our computer networks, and test the strength of our security.

INFORMATION WE COLLECT

Types of information we collect and how we gather it may include:

- Data collected from your application and other forms related to our products and through your conversations with Allied Trust representatives, including our agents;
- Data collected when you visit www.alliedtrustins.com, our mobile sites, and applications;
- Data collected from your transactions or experiences with us, such as payments, underwriting and claims;
- Data collected from non-Allied Trust parties, including consumer reporting agencies providing us with driving records, claim histories and credit information.

HOW WE USE INFORMATION ABOUT YOU

We use customer information, including consumer report information, to:

- Underwrite and rate your policies;
- Process your claims;
- Ensure proper billing;
- Service your policies and accounts;
- Enhance your customer experience; and
- Offer you other insurance products that may suit your needs.

HOW WE SHARE INFORMATION

As permitted by federal and state laws, we may enter into agreements to share or exchange information with companies engaged to work with us to enhance the quality of service provided to you, such as:

- Services to facilitate the underwriting of your policies;
- Services to facilitate the handling of a claim.

Under these agreements, the companies may receive information about you, but they must safeguard this information and they may not use it for any other purposes. Such third parties are required by Allied Trust to conform to our privacy standards. If you wish to opt out of the sharing of your information with our affiliates you may call us, or you may write us directly.

ACCURATE INFORMATION

It is important that the information we maintain about you is accurate and complete. If you see information in your policy, billing statements, or elsewhere, which suggests that our information is incomplete or inaccurate, please contact your agent, our customer service center or write to us directly and we will update your information as needed. Please reference your policy number on any correspondence sent to our office.

Your trust is one of our most valued assets. Should you have any questions regarding our privacy policy, you may call us directly at 1-844-200-2842 or you may write us at: Allied Trust Insurance Company, Privacy Compliance, 4200 W. Cypress St., Suite 520, Tampa FL 33607.

NO INSURANCE AFFORDED BY THE PRIVACY POLICY

If your insurance policy has been canceled or non-renewed, this Privacy Policy **DOES NOT REINSTATE** your policy with Allied Trust. This notice should not be accepted by anyone as evidence that insurance coverage is in force.

ALLIED TRUST INSURANCE COMPANY

HOMEOWNERS
ALLIED HO3 SP LA 19.09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****SPECIAL PROVISIONS – LOUISIANA****For Use with Form HO 00 03****DEFINITIONS**Definition **B.1.a.** is deleted and replaced with the following:

- a. Liability for "Bodily Injury" or "Property Damage" because of or originating from or in connection with:

Definition **B.1.b.(1)** is deleted and replaced with the following:

- (1) Aircraft means any contrivance used or designed for flight, including models or hobby aircraft, drones and personal drones, including model and hobby drones.

Definition **B.8.** is deleted and replaced by the following:

- 8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the term of this policy or any renewal thereafter, in:
 - a. "Bodily injury"; or
 - b. "Property damage".

The following definitions are added:

- 12. "Actual Cash Value" means the amount it would currently cost to repair or replace covered property with new material of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.
- 13. "Bacteria" means any type, kind or form of bacterium.
- 14. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 15. "Named Storm" means: A storm system that has been declared to be a "Hurricane" by the National Hurricane Center of the National Weather Service. The duration of a "Hurricane" includes the time period in Louisiana:
 - a. Beginning at the time a "Hurricane" watch or "Hurricane" warning is issued for any part of Louisiana by the National Hurricane Center of the National Weather Service;

- b. Continuing for the time period during which the "Hurricane" conditions exist anywhere in Louisiana; and

- c. Ending 72 hours following the termination of the last "Hurricane" watch or "Hurricane" warning issued for any part of Louisiana by the National Hurricane Center of the National Weather Service.

"Named Storm" includes resulting wind, wind gusts, hail, rain, tornadoes, or cyclones which result in direct or indirect physical loss or damage to property.

- 16. "Hydraulic Fracturing" (also known as hydro-fracturing, hydro-fracking, fracking or fraccing) means a technique used to stimulate production of oil and gas after a well has been drilled. The process involves high-pressure injection of a mixture of water, sand and chemical additives through a well drilled into an oil-or gas-bearing rock formation. The process is designed to create small cracks within (and thus fracture) the formation allowing natural gas, petroleum, other hydrocarbons and brine to flow more freely.
- 17. "Marring" means damage to appearance which is cosmetic in nature, not affecting functionality or use, or both whether such damage occurs over time or is sudden and accidental in nature. Marring includes, but is not limited to, the type of damage one would expect to occur during the life span of any item and/or any building component, pitting, dents, scratches, scrapes, nicks, blemishes, cracks, discoloration, chips, dings, or any combination of these or similar types of damage.
- 18. "Personal Watercraft" means a watercraft principally designed to be propelled on or in water by any type of engine power or motor and designed to carry one to four persons either standing or sitting. "Personal Watercraft" includes, but is not limited to jet skis, wave runners, hydrofoils, submersibles of any kind, quad crafts, amphibious crafts and other similar watercraft.
- 19. "Unoccupied" means the dwelling is not being inhabited as a residence.
- 20. "Vacant" means the dwelling lacks the necessary amenities, adequate furnishings or utilities and services to permit occupancy of the dwelling as a residence for 60 consecutive days or more.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09****21. "Fuel System" means:**

- a. One or more containers, tanks, or vessels which have a total combined liquid fuel storage capacity of 100 or more U.S. gallons; and
 - (1) Are, or were, used to hold liquid fuel; and
 - (2) Are, or were, located on any one location;
- b. Any pumping apparatus, which includes the motor, gauge, nozzle, hose or pipes that are, or were, connected to one or more containers, tanks or vessels described in Paragraph 1.
- c. Filler pipes and flues connected to one or more containers, tanks or vessels described in Paragraph 1.
- d. A boiler, furnace or a water heater, the fuel for which is stored in a container, tank or vessel described in Paragraph 1.
- e. Fittings and pipes connecting the boiler, furnace or water heater to one or more containers, tanks or vessels described in Paragraph 1.
- f. A structure that is specifically designed and built to hold escaped or released liquid fuel from one or more containers, tanks or vessels described in Paragraph 1.

A "fuel system" does not include any fuel tanks that are permanently affixed to a motor vehicle or watercraft owned by an "insured", used for powering the motor vehicle or watercraft and not used at any time or in any manner for "business".

SECTION I – PROPERTY COVERAGES**A. COVERAGE A - DWELLING**

The following paragraph is added to paragraph 1.

- c. In-ground swimming pools attached to the dwelling, including related permanently installed equipment such as pump and filters.

B. COVERAGE B – OTHER STRUCTURES

The following sentence is added to paragraph 1.

Fences are considered Other Structures whether or not they are connected to the dwelling.

Paragraph 2.c. is deleted and replaced with the following:

- c. Other structures used in whole or in part for any "business"; or

Paragraph 3. is deleted and replaced with the following:

- 3. The limit of liability for this coverage will not be more than the limit of liability shown in the Declarations for **Coverage B**. Use of this coverage will not reduce the **Coverage A** limit of liability.

The following paragraph is added:

COVERAGE A – DWELLING AND COVERAGE B – OTHER STRUCTURES – SPECIAL LIMITS OF LIABILITY**1. Cosmetic And Aesthetic Damage To Floors**

The total limit of liability for **Coverage A - Dwelling** and **Coverage B – Other Structures** combined is \$10,000 per policy term for cosmetic and aesthetic damages to floors resulting from a covered loss.

- a. Cosmetic or aesthetic damage includes damage to less than 5% of the total floor surface area and does not prevent typical use of the floor.
- b. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
- c. This limit does not increase the **Coverage A – Dwelling** or **Coverage B – Other Structures** and **Coverage D – Loss of Use** limits of liability shown in the Declarations.
- d. This limit does not apply and does not create coverage for damage to floors caused by wear and tear, marring, chipping, scratches, dents, deterioration, dropped objects or loss excluded elsewhere in this Policy.
- e. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described for **Coverage C – Personal Property**.

2. Damage To Siding, Roofing And/Or Windows

- a. In the event of damage to siding, roofing and/or windows of the covered dwelling and other structures at the "insured location", we will reimburse you up to 2% of the limit of liability for Coverage A for the cost you incur to replace any undamaged siding, soffit, fascia, roofing material and/or windows of like kind and quality to match those materials that were used to repair or replace the property damaged as a result of a covered peril.

C. COVERAGE C – PERSONAL PROPERTY**3. SPECIAL LIMITS OF LIABILITY**

The following items are added:

- I. \$1,000 for loss to art glass windows and other works of art including, but not limited to, statuary (including but not limited to Hummels, marbles, bronzes, porcelains, rare glass and bric-a-brac).

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

- m. \$5,000 for loss to tools. (Does not apply to landscaping or lawn equipment solely used to maintain the insured premises while such equipment is located at the "insured location".)
- n. \$1,000 on all collections and/or collectibles including, but not limited to, baseball cards, comic books, album covers, wine, dolls, model trains, memorabilia, or any other private collections or rare, unique or novel items of personal interest. This limit applies regardless of the number of collections or collectibles.
- o. \$2,500 on all Fine Arts including, but not limited to painting, etchings, pictures, photographs, tapestries, and any other bona fide works of art of rarity, historical value or artistic merit, such as valuable rugs, marbles, bronzes, antique furniture, rare books, and manuscripts.
- p. \$1,000 for bicycles and related equipment.
- q. 10% of the Coverage **C** Limit for any one item of unscheduled property.

4. Property Not Covered

Item **4.c.** is deleted and replaced by the following:

- c. "Motor vehicles" or any other motorized land conveyances.

This includes a "motor vehicle's" or any other motorized conveyance's equipment and parts.

However, this Paragraph **4.c.** does not apply to:

Item **4.c.(1)(b)** is deleted and replaced by the following:

- (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" or any other motorized conveyance's electrical system.

Paragraph **d.** is deleted and replaced with the following:

- d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.

Paragraph **4.f.** is deleted and replaced with the following:

- f. Property of roomers, boarders and other tenants, and anyone who regularly resides at the "insured location" who is not an "insured".

The following paragraphs are added to **Property Not Covered**:

- I. Your television antenna, satellite dish, satellite antenna or radio towers and their antenna. This exclusion also applies to all related receiving equipment including receiver mounts, transducers or other receiver parts or installation parts. Television Sets are not an excluded item under this exclusion.
- m. Trampolines

COVERAGE D – LOSS OF USE is deleted in its entirety and replaced with the following:

D. COVERAGE D – LOSS OF USE

The limit of liability for Coverage **D** is the total limit for the coverages in **1. Additional Living Expense** and **2. Civil Authority Prohibits Use** below.

1. Additional Living Expense

If a loss covered under Section **I** makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

In either event, the payment(s) will be limited to (12) consecutive months from the date of the covered loss.

2. Civil Authority Prohibits Use

If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1. Additional Living Expense** above for no more than two weeks.

3. Loss Or Expense Not Covered

We do not cover loss or expense due to:

- a. Cancellation of a lease or agreement; or
- b. Any "insured's" "business" whether located on the "insured location" or any other location.

The periods of time under **1. Additional Living Expense** and **2. Civil Authority Prohibits Use** above are not limited by expiration of this policy.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09****E. ADDITIONAL COVERAGES**

Paragraph **2.a Reasonable Repairs** is deleted and replaced with the following:

- a. We will pay the reasonable cost incurred by you for emergency repairs or measures that are necessary to protect covered property from further damage if a Peril Insured Against causes the loss.

The following paragraph is added to **3. Trees, Shrubs And Other Plants**

Trees, shrubs, plants or lawns on the "residence premises" do not include woodland, forestry, wild land, natural vegetation, brush or any other similar vegetation.

SECTION I – PERILS INSURED AGAINST**A. Coverage A – Dwelling and Coverage B – Other Structures**

Paragraph **1.** is deleted and replaced with the following:

1. We insure for sudden and accidental direct physical loss to property described in Coverages **A** and **B**.

Paragraph **2.c.(5)** is deleted in its entirety and replaced with the following:

- (5) Caused by or originating from any constant or repeated seepage or leakage of water or steam or the presence of condensation of humidity, moisture, or vapor, over a period of 14 or more days from within a plumbing, sprinkler system, or from within or around any household appliance, shower stall, shower tub, tub installation or other plumbing fixture, including their walls, ceiling, or floors.

Exception to c.(6) the introductory paragraph is deleted and paragraph **(i)** are deleted and replaced with the following:

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **A** or **B** resulting from a sudden and accidental discharge or overflow of water or steam from within a: Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

Paragraph **2.c(7)** is added:

- (7) Theft and any ensuing loss if the dwelling has been "vacant" for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant".

B. Coverage C – Personal Property

The introductory paragraph is deleted and replaced with the following:

We insure for sudden and accidental direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section **I** – Exclusions.

Paragraph **9.b.(1)** was deleted and replaced with the following:

- (1) Committed by any "insured"; any roomers, boarders, tenants or any person who regularly resides at the "insured location".

The following paragraphs are added to **B.9.b.:**

- (5) Theft of any property from within a locked "motor vehicle" or while a "motor vehicle" was located in a secured building on the "insured location" unless there is physical signs of break in or damage to the "motor vehicle" or to the secured building.
- (6) Theft of any property from within an unlocked "motor vehicle" unless the "motor vehicle" was located in a secured building on the "insured location".
- (7) Theft and any ensuing loss if the dwelling has been "vacant" for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant".

Paragraph **12.b.(4)** is deleted and replaced with the following:

- (4) Caused by any constant or repeated seepage or leakage of water or steam or the presence of condensation of humidity, moisture, or vapor, over a period of 14 or more days from within a plumbing, sprinkler system, or from within or around any household appliance, shower stall, shower tub, tub installation or other plumbing fixture, including their walls, ceiling, or floors.

SECTION I – EXCLUSIONS

Earth Movement is deleted in its entirety and replaced with the following:

2. Earth Movement

Earth Movement means the sinking, rising, shifting, expanding or contracting of earth, all whether combined with water or not. Earth movement includes but is not limited to:

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

- a. Earthquake including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide, mudflow;
- c. Subsidence or sinkhole;
- d. Erosion and/or scouring;
- e. Movement resulting from improper compaction, decay of buried or organic materials, site selection, site preparation;
- f. Settling, cracking or expansion of foundation;
- g. Soil movement resulting from blasting or demolition; mining;
- h. Any earth movement caused, in whole or in part, by "Hydraulic Fracturing"
- i. Any other earth movement including earth sinking, rising or shifting; cracking

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.i.** is caused by any act of nature or any man-made event or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.2.a.** through **A.2.i.** is covered.

Water is deleted in its entirety and replaced with the following:

3. Water

This means:

- a. Any flood, surface water, waves, including tidal wave, tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
 - (1) Backs up through sewers and/or drains; or
 - (2) Overflows or is otherwise discharged from a sump, sump pump, or related equipment or any other system designed for the removal of subsurface water which is drained from a foundation area of a structure;
- c. Water below the surface of the ground, regardless of its source, including water which exerts pressure on or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, basement, swimming pool or other structure; or
- d. Water-borne material carried or otherwise moved by **A.3.a** through **A.3.c.** of this Exclusion;

This exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.** is caused by, or originating from, in whole or in part, by any act of nature, or any man-made events, or both, or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, reservoir, water main, seawall, embankments or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.** is covered.

Intentional Loss is deleted and replaced by the following:

8. Intentional Loss

Intentional Loss means any loss arising out of any act committed:

- a. With respect to loss caused by fire:
 - (1) By or at the direction of the "insured"; and
 - (2) With the intent to cause a loss.
- b. With respect to loss caused by a peril other than fire and with respect to all "insureds" covered under this Policy:
 - (1) By you or at your direction; and
 - (2) With the intent to cause a loss.

The following exclusions are added:

10. Criminal Or Illegal Activity

We do not provide coverage for any loss because of or originating from, in whole or in part, by Criminal or Illegal Activity, meaning any and all criminal or illegal acts performed by or at the direction of any "insured" that result in damage to your structures or personal property. This exclusion applies regardless of whether or not any "insured" is charged with a crime.

11. Diminished Value

We do not cover any loss due to diminished value of any property covered under this policy.

12. "Named Storm", Windstorm or Hail Loss

We do not cover any loss to awnings caused by or resulting from a "Named Storm", Windstorm or Hail.

13. Existing Damage

- a. Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- b. Claims or damages arising out of workmanship, repairs or lack of repairs because of or originating from or in connection with damage which occurred prior to policy inception.

This exclusion does not apply in the event of a total loss caused by a Peril Insured Against.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09****14. Temperature or Dampness**

We do not cover any loss caused by extremes of temperature, dampness or dryness of atmosphere, or water vapor or condensation, gradual deterioration, wet or dry rot, or warping not caused by a covered peril, to your Dwelling, Other Structures or Personal Property.

This exclusion does not apply to loss caused directly by rain, sleet, snow or hail.

15. "Hydraulic Fracturing"

We do not cover any loss caused or originating from, in whole or in part, by any "Hydraulic Fracturing", whether the "Hydraulic Fracturing" activity occurs on the "insured location" or another location.

16. Constant and/or Repeated Seepage and/or Leakage

We do not pay for any loss arising from, caused by, originating from or in connection with any constant or repeated seepage and/or leakage of water, steam, presence of and/or condensation of humidity, humidity, moisture, vapor, which occurs over a period 14 days or more, whether hidden or not and results in damage such as wet or dry rot, "fungi", "bacteria", deterioration, rust, decay or any other corrosion and/or any damage.

17. "Fungi", Wet Or Dry Rot, Or Bacteria

We do not cover any loss due to "fungi", wet or dry rot, or bacteria. This includes the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria.

SECTION I - CONDITIONS

Paragraph **C. Duties After Loss** is deleted in its entirety and replaced with the following:

C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give immediate notice to us;
2. Notify the police of loss by theft or vandalism or malicious mischief and:
 - a. File a police report describing all items stolen and/or property damaged;
 - b. Submit the filed report to us; and
 - c. Cooperate with the police in their investigation;

3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I – Property Coverages;

4. Protect the property from further damage. If repairs to the property are required, you must:

- a. Make reasonable and necessary repairs to protect the property; and
- b. Keep an accurate record of repair expenses;

5. Cooperate with us in the investigation and processing of a claim;

6. Prepare a written inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss for each item. Attach all bills, receipts and related documents that verify or support the information stated in the inventory;

7. As often as we reasonably require:

- a. Show the damaged property;
- b. Provide us with records and documents we request and permit us to make copies; and
- c. Provide to us or execute an authorization which allows us to obtain on your behalf, records and documentation we deem relevant to the investigation of your loss; and
- d. You, any "insured" and anyone you hire in connection with your claim under this policy must:

- (1) Submit to examinations under oath and recorded statements, while not in the presence of another "insured"; and sign the same;

Representations made by any of the preceding persons who appear in the examinations under oath and/or recorded statements will be deemed to be your representations.

8. Send to us your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

- a. The time and cause of loss;
- b. The interests of all "insureds" and all others in the property involved and all liens on the property;
- c. Other insurance which may cover the loss;
- d. Changes in title or occupancy of the property during the term of the policy;

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

- e. Specifications of damaged buildings and detailed repair estimates;
- f. The inventory of damaged personal property described in **6.** above;
- g. Receipts for additional living expenses incurred; and
- h. Evidence or affidavit that supports a claim under **E.6.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I –** Property Coverages, stating the amount and cause of loss.

This proof of loss must be sent to us within:

- (1) 180 days after our request, if the loss results from a catastrophic event for which a state of disaster or emergency was declared pursuant to law by civil officials; however, this 180-day period does not commence until the state of emergency or disaster has ended and you have access to your property; or

- (2) 60 days after our request in all other cases.

- 9. Retain any and all damaged property for inspection by the Company.

- 10. Obtain Company approval before permanent repair or replacement of damaged property begins.

D. Loss Settlement

Paragraph **1.** is deleted and replaced with the following:

- 1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, window air conditioning units, outdoor antennas, above ground pools, and outdoor equipment, whether or not attached to buildings;
 - c. Structures that are not buildings; and
 - d. Grave markers, including mausoleums;
 - e. Aluminum framed screened enclosures, pool cages, and aluminum framed carports when loss or damage is caused directly and/or indirectly, by any wind, windstorm, "Named Storm", Tornado or hail;
 - f. Solar panels; solar power or water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar power or water heating systems when loss or damage is caused, directly and/or indirectly, by any wind, windstorm, "Named Storm" tornado or hail.

- g. Any structure defined as part of Coverage **B –** Other Structures unless the structure is constructed of the same or substantially the same material as that of the dwelling and is attached to a permanent concrete foundation when loss or damage occurs;

at actual cash value at the time of loss but not more than the amount required to repair or replace.

Paragraph **2.a.(2)** is replaced by the following:

- (2) The replacement cost of that part of the building damaged with material of like kind and quality; or

Paragraph **2.e.** is replaced by the following:

- c. You may disregard the replacement cost loss settlement provisions and make claim under this Policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **D.** Loss Settlement, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building. However, if the loss results from a catastrophic event for which a state of disaster or emergency was declared pursuant to law by civil officials, this 180-day period does not commence until the state of emergency or disaster has ended and you have access to your property.

Paragraph **F.** Appraisal is deleted and replaced with the following:

F. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. Any outcome of the appraisal will not be binding on either party.

Each party will:

- 1. Pay its own appraiser; and
- 2. Bear the other expenses of the appraisal and umpire equally.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

Paragraph **I. Our Option**, the following sentence is added:
We may also take all or part of the damaged property at the agreed or appraised value.

Paragraph **J. Loss Payment** is deleted and replaced by the following:

J. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the Policy or is legally entitled to receive payment. The undisputed portion of the loss will be payable within 30 days after we receive your proof of loss.

Paragraph **L. Mortgage Clause** is deleted and replaced with the following:

L. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under **Coverage A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **C. Duties After Loss**, **F. Appraisal**, **H. Suit Against Us** and **J. Loss Payment** under Section **I** – Conditions also apply to the mortgagee.
3. If we pay the mortgagee for any loss and deny payment to you:
 - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
 - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
4. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.
5. If this Policy is cancelled, the mortgagee will be notified:
 - a. At least 10 days before the date cancellation takes effect if we cancel for nonpayment of premium; or

- b. At least 30 days before the date cancellation takes effect if we cancel for any other reason.
6. If the Policy is not renewed by us, the mortgagee will be notified at least 30 days before the date nonrenewal takes effect.

7. If the property described under Coverage **A** – Dwelling or Coverage **B** – Other Structures is foreclosed upon under the deed of trust, the mortgagee may cancel this Policy of insurance and will be entitled to any unearned premium from this Policy.

The mortgagee must credit any unearned premium against any deficiency owed by the borrower and return any unearned premium not so credited to the borrower. The unearned premium will be figured using the customary pro rata procedures.

8. We provide coverage to no mortgagee or any of its representatives under this policy if, whether before or after a loss, a mortgagee or any of its representatives has:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
 relating to this insurance.

Paragraph **R. Concealment Or Fraud** is replaced by the following:

R. Concealment Or Fraud

1. With respect to loss caused by fire, we do not provide coverage to the "insured" who, whether before or after a loss, has:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
 relating to this insurance.
2. With respect to loss caused by a peril other than fire and with respect to all "insureds" covered under this Policy, we provide no coverage for loss if, whether before or after a loss, one or more "insureds" have:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
 relating to this insurance.
3. However, if the conduct specified above is in relation to the procurement of the contract or occurs subsequent to the issuance of the contract, but if known to us would have caused us not to issue the Policy, coverage will only be denied if the conduct was committed with the intent to deceive.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

The following condition is added:

T. Assignment of Claim Benefits

No assignment of claim benefits, regardless of whether made before a loss or after a loss, shall be valid without the written consent of all "insureds" mortgagees and all additional insureds named in this policy.

SECTION II – EXCLUSIONS**A. "Motor Vehicle Liability"**

Paragraphs **2.a** and **2b.** are deleted and replaced with the following:

- a. In dead storage on an "insured location" at the time of the "occurrence";
- b. Not subject to motor vehicle registration and is used solely to service a residence;

E. Coverage E – Personal Liability and Coverage F – Medical Payments to Others

Paragraph **1. Expected Or Intended Injury** is deleted in its entirety and replaced by the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" with respect to loss:

- a. Caused by fire, which is expected or intended by the "insured", even if the "bodily injury" or "property damage":
 - (1) Is of a different kind, quality or degree than initially expected or reasonably intended; or
 - (2) Is sustained by a different person, entity or property than initially expected or reasonably intended.
 - (3) The "insured" person lacks the mental capacity to govern his or her conduct;

However, this Exclusion **E.1.a.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by the "insured" to protect persons or property.

- b. Caused by a peril other than fire and with respect to all "insureds" covered under this Policy, which is expected or intended by one or more "insureds", even if the "bodily injury" or "property damage":
 - (1) Is of a different kind, quality or degree than initially expected or reasonably intended; or
 - (2) Is sustained by a different person, entity or property than initially expected or reasonably intended.
 - (3) The "insured" person lacks the mental capacity to govern his or her conduct.

However, this Exclusion **E.1.b.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by one or more "insureds" to protect persons or property.

Paragraph **2. "Business"**, is deleted and replaced with the following:

2. "Business"

"Bodily injury" and/or "property damage" arising out of or in connection with, in whole or in part, from:

- a. Any "business" conducted from an "insured location" or engaged in by any "insured", whether or not the "business" is owned or operated by any "insured" or employs any "insured".
- b. The rental or holding for rental of any part of the "insured location", regardless of the total annual compensation.

This Exclusion **E.2.** applies but is not limited to any act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to:

- a. The rental or holding for rental of one (1) other structure on the "insured location" for use as a private residence, if disclosed to the us and coverage is provided in the Declarations.

Paragraph **3. Professional Services** is deleted and replaced with the following:

3. Professional Services

"Bodily injury" or "property damage" caused by or originating from, in whole or in part, by the rendering of or failure to render professional services.

Paragraph 4. "Insured's" Premises Not An "Insured Location"

The introductory paragraph is deleted and replaced with the following:

"Bodily injury" or "property damage" arising out of or originating from a premises:

Paragraph **6. Communicable Disease** is deleted and replaced by the following:

6. Communicable Disease

"Bodily injury" or "property damage" because of or originating from or in connection with the transmission of any communicable disease by any "insured".

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

Paragraph 7. **Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse** is deleted and replaced by the following:

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" because of or originating from or in connection with sexual molestation, corporal punishment or physical or mental abuse. This exclusion applies but is not limited to any act or omission, regardless of:

- a. Its nature or circumstance;
- b. Whether an "occurrence" takes place on an "insured location" or any other location;
- c. The number of "insureds";
- d. The number of persons injured; or
- e. The number of claims made.

Paragraph 8. **Controlled Substance** is deleted and replaced by the following:

8. Controlled Substance

"Bodily injury" or "property damage" originating from or caused by, in whole or in part, the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed health care professional.

The following exclusions are added:

9. Trampoline, Skateboard Or Bicycle Ramp

"Bodily injury" or "property damage" originating from or caused by, in whole or in part, the ownership, maintenance, supervision or use of any trampoline or skateboard or bicycle ramp, or all the aforementioned, owned by, rented by, or loaned to, or otherwise under the care, custody and control of any "insured", or that of your employee, agent, visitor or tenant, whether on the "residence premises" or any other location.

10. Recreational Off-Road Vehicles

"Bodily Injury" or "property damage" originating from or caused by, in whole or in part:

- a. The use, supervision, care, custody or control of any "insured", or that of your employee, agent, visitor or tenant, of a recreational off road or unlicensed vehicle, including but not limited to ATV's, 3-wheelers, 4-wheelers, dune buggies, rock climbers, go-carts, mini-bikes, dirt bikes, snowmobiles, motorized skateboards, motorized bicycles, and motorized scooters;

- b. Whether owned or not owned by any "insured"; and
- c. Whether or not the injury or damage occurs on the "insured location" or any other location.

11. Diving Boards Or Pool Slides

"Bodily injury" or "property damage" caused by or originating from, in whole or in part, with the ownership, maintenance, supervision, or use of any diving board or pool slide owned by, rented by, or loaned to, or otherwise under the care, custody and control of any "insured", or that of your employee, agent, visitor or tenant, whether on the "residence premises" or any other location.

12. Animals

"Bodily injury" or "Property Damage" caused by or originating from or in connection with, in whole or in part, any animal owned or kept by any "insured", or in the care, custody or control of any "insured", or that of your employee, agent, visitor or tenant whether or not the injury or damage occurs on the "residence premises", on the "residence premises" with your or any "insured's" permission, or any other location.

13. Electronic Aggression"

"Bodily Injury" or "Property Damage" caused by or originating from, in whole or in part, by any "Electronic Aggression".

14. Fuel Systems

"Bodily Injury" or "Property Damage" arising out of, originating from or caused by, in whole or in part, the escape or release of liquid fuel from a "fuel system". This exclusion applies, but is not limited to:

- a. Any supervision, instructions, recommendations, warnings or advice given in connection the above;
- b. Any obligation to share damages, losses, costs, payments or expenses with or repay someone else who must make payment because of such "bodily injury" or "property damage", damages, loss, cost or expense;
- c. Any obligation to share damages, losses, costs, payments or expenses with or repay someone else who must make payment because of such "bodily injury" or "property damage", damages, loss, cost or expense; or
- d. Any request, order or requirement to test for, monitor, abate, mitigate, remediate, contain, remove, dispose of, or in any way respond to or assess the effects of liquid fuel.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of fire or explosion resulting from such escaped or released liquid fuel.

15. Criminal or Illegal Activity

"Bodily Injury" or "Property Damage" caused by or originating from or in connection with any criminal or illegal activity. This exclusion applies whether or not any "insured" is convicted of a crime.

16. "Hydraulic Fracturing"

"Bodily Injury" or "Property Damage" caused by or originating from, in whole or in part, by any "hydraulic fracturing".

17. "Personal Watercraft"

"Bodily Injury" or "Property Damage" arising from, originating from, caused in whole or in part, by the ownership, maintenance, supervision, or use of any "personal watercraft" owned by, rented by, loaned to, or otherwise under the care, custody and control of any "insured" or that of your employee, agent, visitor or tenant, whether on the "residence premises" or any other location.

18. "Fungi", Wet or Dry Rot, Or "Bacteria"

"Bodily Injury" or "Property Damage" arising directly or indirectly from, originating from or caused in whole or in part, by any "fungi", wet or dry rot, or "bacteria".

F. Coverage E – Personal Liability

Paragraph 2. Is deleted and replaced by the following:

2. "Property damage" to property owned by any "insured" or any resident of the "insured location". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

Paragraph 6. The introductory paragraph is deleted and replaced with the following:

6. "Bodily injury" to you or any "insured" as defined under Definition 5.a. or b.

The following paragraph was added:

7. This policy does not provide any coverage for punitive or exemplary damages, fines or penalties in any amount regardless of how they are imposed. This exclusion includes, but is not limited to, those imposed by civil fine or penalty assessed or imposed under any code, statute, regulation or court order. This policy also does not provide any coverage for the cost of defense, including but not limited to attorney fees or costs, related to any such damages, fines or penalties.

The following paragraph is added to E.

All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions during the term of this policy or any renewal thereof, shall be considered to be the result of one "occurrence" regardless of:

1. Its nature or circumstance;
2. Whether an "occurrence" takes place on an "insured location" or any other location;
3. Number of "insureds";
4. Number of persons injured; or
5. Number of claims made.

SECTION II – CONDTIONS

A. Limit of Liability 1. is deleted and replaced with the following:

A. Limit of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made, or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions during the term of this policy or any renewal thereafter, shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

C. Duties After "Occurrence"

The following paragraph is added:

7. Allow us to inspect the property wherein the "bodily injury" or "property damage" occurred.

F. Suit Against Us has been deleted in its entirety and replaced with the following:

F. Suit Against Us

A person or organization may bring a suit against us including, but not limited to a suit to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of the Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

J. Concealment or Fraud is deleted in its entirety and replaced with the following:

J. Concealment or Fraud

1. We do not provide coverage to any "insured" who, whether before or after a loss, has:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
 relating to this insurance.
2. However, if the conduct specified above is in relation to the procurement of the contract or occurs subsequent to the issuance of the contract, but if known to us would have caused us not to issue the Policy, coverage will only be denied if the conduct was committed with the intent to deceive.

The following conditions are added:

K. Notice Of Offer To Settle Or Of Settlement Of Claim

1. We will notify you in writing of any initial offer to settle a claim against you under this Section II. We will give you notice within 10 days after the date the offer is made.
2. We will notify you in writing of any settlement of a claim against you under this Section II. We will give you notice within 30 days after the date of the settlement.

L. Venue: Choice of Law:

This policy shall be construed, interpreted and enforced according to the laws of the State of Louisiana. All actions or proceedings because of or originating from or related to, this policy shall only be brought in a court of competent jurisdiction in Louisiana.

SECTIONS I AND II – CONDITIONS

Paragraphs 2., 3. and 4. of **C. Cancellation** are replaced by the following:

2. The following applies with respect to premium payments due on new and renewal policies, including installment payments:
 - a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the Policy subject to Paragraphs b. and c. below.

b. We may cancel the Policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.

c. The cancellation notice will also advise you that the Policy will be reinstated effective from the date the premium payment was due if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

3. The following applies if 2. above does not apply:

We may cancel this Policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, regardless of the period of time this Policy has been in effect, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- b. When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.
- c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us except as provided in Item 3.e. below, we may cancel:

(1) If there has been a material misrepresentation of fact with the intent to deceive:

(a) In the procurement of the contract; or

(b) At any other time since the Policy was issued;

which if known to us would have caused us not to issue the Policy; or

(2) If the risk has changed substantially since the Policy was issued.

ALLIED TRUST INSURANCE COMPANY**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

This can be done by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

d. When this Policy is written for a period of:

(1) More than one year; or

(2) Three years or less;

we may cancel for any reason at anniversary by letting you and any other known person loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

e. When this Policy has been in effect and renewed for more than three years, we may cancel for any one of the following reasons:

(1) If you have committed fraud with the intent to deceive:

(a) In the procurement of the contract; or

(b) At any other time since the Policy was issued;

(2) If the insured risk has undergone a material change;

(3) If you have filed two or more claims that are not the result of an incident which is:

(a) Due directly to forces of nature; and

(b) Exclusively without human intervention;

within a continuous three-year period within the five years preceding the current policy renewal date; or

(4) If the continuation of this Policy endangers our solvency.

This can be done by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

We will not, however, cancel this Policy, regardless of the period of time this Policy has been in effect, based solely upon a loss caused by an Act of God. An Act of God means an incident due directly to natural causes and exclusively without human intervention.

4. If this Policy is cancelled, we will return any premium refund due, subject to Paragraphs **a.**, **b.** and **c.** below. The cancellation will be effective even if we have not made or offered a refund.

a. If you cancel this Policy, we will refund the return premium, if any, within 30 days after the date cancellation takes effect. The return premium shall be computed on a pro rata basis, subject to the minimum premium requirements.

b. If we cancel this Policy, and the return premium is not refunded with the notice of cancellation, we will refund it within a reasonable time after the date cancellation takes effect. We will send the refund to you, or your agent, unless **c.** below applies. If the premium is refunded to your agent, we will notify you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

Paragraph **D. Nonrenewal** is replaced by the following:

D. Nonrenewal

1. We may elect not to renew this Policy, subject to the provisions of Paragraphs **2.** and **3.** below. We may do so by delivering to you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder, or mailing to you at your mailing address shown in the Declarations and to any other known person shown by the Policy to have an interest in any loss which may occur thereunder, written notice at least 30 days before the expiration date of this Policy. Proof of mailing will be sufficient proof of notice.

2. If this Policy has been in effect and renewed with us for more than three years, we will not exercise our right of nonrenewal except:

a. When you have not paid the premium;

b. If you have committed fraud;

c. If the insured risk has undergone a substantial change;

d. If you have filed two or more claims that are not the result of an incident which is:

(1) Due directly to forces of nature; and

(2) Exclusively without human intervention;

within a continuous three-year period of time within the five years preceding the current policy renewal date; or

e. If the continuation of this Policy endangers our solvency.

3. We will not, however, exercise our right of nonrenewal, regardless of the period of time this Policy has been in effect with us, based solely upon a loss caused by an Act of God. An Act of God means an incident due directly to natural causes and exclusively without human intervention.

ALLIED TRUST INSURANCE COMPANY

**HOMEOWNERS
ALLIED HO3 SP LA 19.09**

The following Conditions are added:

H. Our Right to Recover Payment

If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after the loss to prejudice them. Our right to recover is subordinate to the "insured's" right to be fully compensated.

I. Venue: Choice of Law:

This policy shall be construed, interpreted and enforced according to the laws of the State of Louisiana. All actions or proceedings because of or originating from, or related to, this policy shall only be brought in a court of competent jurisdiction in Louisiana.

J. Our Right To Recompute Premium

We established the premium for this policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affects the premium charged.

All other provisions of this Policy apply.

HOMEOWNERS
HO 00 03 05 11

HOMEOWNERS 3 – SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
- 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
 - a.** Liability for "bodily injury" or "property damage" arising out of the:
 - (1)** Ownership of such vehicle or craft by an "insured";
 - (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
 - (3)** Entrustment of such vehicle or craft by an "insured" to any person;
 - (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
 - (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
 - b.** For the purpose of this definition:
 - (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
 - (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
 - (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
 - (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.
 - 2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
 - 3.** "Business" means:
 - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 - b.** Any other activity engaged in for money or other compensation, except the following:
 - (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4)** The rendering of home day care services to a relative of an "insured".
 - 4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
 - 5.** "Insured" means:
 - a.** You and residents of your household who are:
 - (1)** Your relatives; or
 - (2)** Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;
 - b.** A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
 - (1)** 24 and your relative; or

- (2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

- (1) With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **5.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- (2) With respect to a "motor vehicle" to which this policy applies:
- (a) Persons while engaged in your employ or that of any person described in **5.a.** or **b.**; or
- (b) Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

- a. The "residence premises";
- b. The part of other premises, other structures and grounds used by you as a residence; and
- (1) Which is shown in the Declarations; or
- (2) Which is acquired by you during the policy period for your use as a residence;
- c. Any premises used by you in connection with a premises described in **a.** and **b.** above;
- d. Any part of a premises:
- (1) Not owned by an "insured"; and
- (2) Where an "insured" is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an "insured";
- f. Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";

- g. Individual or family cemetery plots or burial vaults of an "insured"; or
- h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

- a. A self-propelled land or amphibious vehicle; or
- b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

- a. "Bodily injury"; or
- b. "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

- a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
- b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

- a. The one-family dwelling where you reside;
- b. The two-, three- or four-family dwelling where you reside in at least one of the family units; or
- c. That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

SECTION I – PROPERTY COVERAGES**A. Coverage A – Dwelling**

1. We cover:
 - a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
 - b. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".
2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.
2. We do not cover:
 - a. Land, including land on which the other structures are located;
 - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
 - c. Other structures from which any "business" is conducted; or
 - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.
3. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

C. Coverage C – Personal Property**1. Covered Property**

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

2. Limit For Property At Other Locations**a. Other Residences**

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

b. Self-storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) Usually located in an "insured's" residence, other than the "residence premises".

3. Special Limits Of Liability

The special limit for each category shown below is the total limit for each loss for all property in that category. These special limits do not increase the Coverage C limit of liability.

a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.

b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.

d. \$1,500 on trailers or semitrailers not used with watercraft of all types.

e. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.

f. \$2,500 for loss by theft of firearms and related equipment.

g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.

i. \$1,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:

(1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and

(2) In or upon a "motor vehicle".

j. \$1,500 on portable electronic equipment that:

(1) Reproduces, receives or transmits audio, visual or data signals;

(2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and

(3) Is in or upon a "motor vehicle".

k. \$250 for antennas, tapes, wires, records, disks or other media that are:

(1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and

(2) In or upon a "motor vehicle".

4. Property Not Covered

We do not cover:

a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;

b. Animals, birds or fish;

c. "Motor vehicles".

This includes a "motor vehicle's" equipment and parts. However, this Paragraph 4.c. does not apply to:

(1) Portable electronic equipment that:

(a) Reproduces, receives or transmits audio, visual or data signals; and

(b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.

(2) "Motor vehicles" not required to be registered for use on public roads or property which are:

(a) Used solely to service a residence; or

(b) Designed to assist the handicapped;

d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;

e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

- g. Property in an apartment regularly rented or held for rental to others by an "insured", except as provided in **E.10. Landlord's Furnishings** under **Section I – Property Coverages**;
- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such data stored in:
 - (1) Books of account, drawings or other paper records; or
 - (2) Computers and related equipment.

We do cover the cost of blank recording or storage media and of prerecorded computer programs available on the retail market;
- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under **Section I – Property Coverages**; or
- k. Water or steam.

D. Coverage D – Loss Of Use

The limit of liability for Coverage **D** is the total limit for the coverages in **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** below.

1. Additional Living Expense

If a loss covered under **Section I** makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. Fair Rental Value

If a loss covered under **Section I** makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest time required to repair or replace such premises.

3. Civil Authority Prohibits Use

If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1. Additional Living Expense** and **2. Fair Rental Value** above for no more than two weeks.

4. Loss Or Expense Not Covered

We do not cover loss or expense due to cancellation of a lease or agreement.

The periods of time under **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** above are not limited by expiration of this policy.

E. Additional Coverages

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

- b. We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's trees felled by a Peril Insured Against under Coverage **C**;

provided the trees:

- (3) Damage a covered structure; or
- (4) Do not damage a covered structure, but:
 - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or

- (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$1,000 limit is the most we will pay in any one loss, regardless of the number of fallen trees. No more than \$500 of this limit will be paid for the removal of any one tree.

This coverage is additional insurance.

2. Reasonable Repairs

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.
- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property; or
 - (2) Relieve you of your duties, in case of a loss to covered property, described in **C.4.** under Section I – Conditions.

3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

5. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

- a. We will pay up to \$500 for:
 - (1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
 - (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
 - (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
 - (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

- b. We do not cover:
 - (1) Use of a credit card, electronic fund transfer card or access device:
 - (a) By a resident of your household;
 - (b) By a person who has been entrusted with either type of card or access device; or
 - (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or
 - (2) Loss arising out of "business" use or dishonesty of an "insured".
- c. If the coverage in a. above applies, the following defense provisions also apply:
 - (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
 - (2) If a suit is brought against an "insured" for liability under a.(1) or (2) above, we will provide a defense at our expense by counsel of our choice.
 - (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under a.(3) above.

7. Loss Assessment

- a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage A, other than:
 - (1) Earthquake; or
 - (2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

- b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.
- c. Paragraph Q. Policy Period under Section I – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Collapse

- a. The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse.
- b. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- c. This Additional Coverage – Collapse does not apply to:
 - (1) A building or any part of a building that is in danger of falling down or caving in;
 - (2) A part of a building that is standing, even if it has separated from another part of the building; or
 - (3) A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- d. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:
 - (1) The Perils Insured Against named under Coverage C;
 - (2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
 - (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or

(6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

e. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under d.(2) through (6) above, unless the loss is a direct result of the collapse of a building or any part of a building.

f. This coverage does not increase the limit of liability that applies to the damaged covered property.

9. Glass Or Safety Glazing Material

a. We cover:

(1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;

(2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and

(3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

b. This coverage does not include loss:

(1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or

(2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. A dwelling being constructed is not considered vacant.

c. This coverage does not increase the limit of liability that applies to the damaged property.

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused by a Peril Insured Against in Coverage C, other than Theft.

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

11. Ordinance Or Law

a. You may use up to 10% of the limit of liability that applies to Coverage A for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

(1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;

(2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or

(3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.

c. We do not cover:

(1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or

(2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

12. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against under Coverage C.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

1. We insure against direct physical loss to property described in Coverages A and B.
2. We do not insure, however, for loss:

- a. Excluded under Section I – Exclusions;
- b. Involving collapse, including any of the following conditions of property or any part of the property:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above;

except as provided in E.8. Collapse under Section I – Property Coverages; or

- c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (5) Mold, fungus or wet rot. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:
 - (a) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or
 - (b) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

(6) Any of the following:

- (a)** Wear and tear, marring, deterioration;
- (b)** Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
- (c)** Smog, rust or other corrosion, or dry rot;
- (d)** Smoke from agricultural smudging or industrial operations;
- (e)** Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage **C**.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f)** Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
- (g)** Birds, rodents or insects;
- (h)** Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or
- (i)** Animals owned or kept by an "insured".

Exception To c.(6)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **A** or **B** resulting from an accidental discharge or overflow of water or steam from within a:

- (i)** Storm drain, or water, steam or sewer pipe, off the "residence premises"; or

- (ii)** Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Exclusion A.3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

B. Coverage C – Personal Property

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section I – Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

3. Explosion**4. Riot Or Civil Commotion****5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

6. Vehicles**7. Smoke**

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism Or Malicious Mischief**9. Theft**

a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

b. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

10. Falling Objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

12. Accidental Discharge Or Overflow Of Water Or Steam

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**;
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
- (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

d. Section I – Exclusion **A.3. Water**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

14. Freezing

- a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

SECTION I – EXCLUSIONS

- A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided for in **E.11**. Ordinance Or Law under Section I – Property Coverages;
- b. The requirements of which result in a loss in value to property; or

- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.d.**, is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.2.a.** through **A.2.d.**, is covered.

3. Water

This means:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
 - (1) Backs up through sewers or drains; or
 - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in **N.** Nuclear Hazard Clause under Section **I – Conditions**.

8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

- B.** We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;
 of part or all of any property whether on or off the "residence premises".

SECTION I – CONDITIONS

A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**;
4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged personal property described in **6.** above;

- g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- h. Evidence or affidavit that supports a claim under **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**, stating the amount and cause of loss.

D. Loss Settlement

In this Condition **D.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **E.11. Ordinance Or Law** under Section **I – Property Coverages**. Covered property losses are settled as follows:

1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings;
 - c. Structures that are not buildings; and
 - d. Grave markers, including mausoleums;
 at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings covered under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
 - a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:
 - (1) The limit of liability under this policy that applies to the building;
 - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
 - (3) The necessary amount actually spent to repair or replace the damaged building.
 If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.

b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports described in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
- (2) Less than \$2,500;

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **D. Loss Settlement**, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

E. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

F. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

G. Other Insurance And Service Agreement

If a loss covered by this policy is also covered by:

1. Other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss; or
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

H. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under Section I of this policy and the action is started within two years after the date of loss.

I. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

J. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

K. Abandonment Of Property

We need not accept any property abandoned by an "insured".

L. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs F. Appraisal, H. Suit Against Us and J. Loss Payment under Section I – Conditions also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

4. If we pay the mortgagee for any loss and deny payment to you:

- a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

M. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

N. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

O. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

P. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

Q. Policy Period

This policy applies only to loss which occurs during the policy period.

R. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

S. Loss Payable Clause

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

SECTION II – LIABILITY COVERAGES**A. Coverage E – Personal Liability**

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

B. Coverage F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or

2. To a person off the "insured location", if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured".

SECTION II – EXCLUSIONS**A. "Motor Vehicle Liability"**

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
 - a. In dead storage on an "insured location";
 - b. Used solely to service a residence;
 - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
 - (1) Being used to assist a handicapped person; or
 - (2) Parked on an "insured location";
 - d. Designed for recreational use off public roads and:
 - (1) Not owned by an "insured"; or

- (2) Owned by an "insured" provided the "occurrence" takes place:
 - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
 - (b) Off an "insured location" and the "motor vehicle" is:
 - (i) Designed as a toy vehicle for use by children under seven years of age;
 - (ii) Powered by one or more batteries; and
 - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
 - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
 - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
 - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (c) Cross public roads at designated points to access other parts of the golfing facility; or
 - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.
- d. Used for any "business" purpose.
- 2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
 - a. Is stored;
 - b. Is a sailing vessel, with or without auxiliary power, that is:
 - (1) Less than 26 feet in overall length; or
 - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
 - c. Is not a sailing vessel and is powered by:
 - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
 - (a) 50 horsepower or less and not owned by an "insured"; or
 - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
 - (2) One or more outboard engines or motors with:
 - (a) 25 total horsepower or less;
 - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
 - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
 - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
 - (i) You declare them at policy inception; or
 - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

B. "Watercraft Liability"

- 1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
 - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
 - b. Rented to others;
 - c. Used to carry persons or cargo for a charge; or

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages **E** and **F** do not apply to the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

- a. Owned by an "insured";
- b. Rented to an "insured"; or
- c. Rented to others by an "insured"; that is not an "insured location";

5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

F. Coverage E – Personal Liability

Coverage E does not apply to:

1. Liability:
 - a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D. Loss Assessment** under Section II – Additional Coverages;
 - b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
 - (2) Where the liability of others is assumed by you prior to an "occurrence"; unless excluded in **a. above** or elsewhere in this policy;
2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:
 - a. Workers' compensation law;
 - b. Non-occupational disability law; or
 - c. Occupational disease law;
5. "Bodily injury" or "property damage" for which an "insured" under this policy:
 - a. Is also an insured under a nuclear energy liability policy issued by the:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters;
 - (3) Nuclear Insurance Association of Canada;

or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to you or an "insured" as defined under Definition **5.a.** or **b.**

This exclusion also applies to any claim made or suit brought against you or an "insured" to:

- a. Repay; or
- b. Share damages with; another person who may be obligated to pay damages because of "bodily injury" to an "insured".

G. Coverage F – Medical Payments To Others

Coverage F does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":
 - a. Occurs off the "insured location"; and
 - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
 - a. Workers' compensation law;
 - b. Non-occupational disability law; or
 - c. Occupational disease law;
3. From any:
 - a. Nuclear reaction;
 - b. Nuclear radiation; or
 - c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

 - d. Any consequence of any of these; or
4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

A. Claim Expenses

We pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage E limit of liability. We need not apply for or furnish any bond;

3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

C. Damage To Property Of Others

1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".
 This Exclusion e.(3) does not apply to a "motor vehicle" that:
 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

D. Loss Assessment

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:
 - a. "Bodily injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
 - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
 - (1) Is elected by the members of a corporation or association of property owners; and
 - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Policy Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
 - a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
 - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
4. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

SECTION II – CONDITIONS

A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
 - a. The identity of the policy and the "named insured" shown in the Declarations;
 - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
 - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - c. With the conduct of suits and attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to **C. Damage To Property Of Others** under Section II – Additional Coverages, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

1. The injured person or someone acting for the injured person will:
 - a. Give us written proof of claim, under oath if required, as soon as is practical; and
 - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

E. Payment Of Claim – Coverage F – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

F. Suit Against Us

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

G. Bankruptcy Of An "Insured"

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

H. Other Insurance

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

I. Policy Period

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

J. Concealment Or Fraud

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

SECTIONS I AND II – CONDITIONS**A. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

B. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

C. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or

- (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

D. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

E. Assignment

Assignment of this policy will not be valid unless we give our written consent.

F. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage F or Paragraph C. Damage To Property Of Others under Section II – Additional Coverages.

G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and

2. "Insured" includes:

- a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and

- b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

HOMEOWNERS
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LIMITED HOME DAY CARE COVERAGE ADVISORY NOTICE TO POLICYHOLDERS

CAUTION: This is a summary of the limited coverage provided in your Homeowners Policy for Home Day Care services. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverage you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF YOUR POLICY SHALL PREVAIL. PLEASE READ YOUR POLICY CAREFULLY.**

- A. "Business", as defined in the policy, means:
1. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 2. Any other activity engaged in for money or other compensation, except the following:
 - a. One or more activities:
 - (1) Not described in b. through d. below; and
 - (2) For which no insured receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - b. Volunteer activities for which no money is received, other than payment for expenses incurred to perform the activity;
 - c. Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - d. The rendering of home day care services to a relative of an insured.
- B. If you or any other insured regularly provides home day care services to a person or persons other than you or any other insureds as their trade, profession or occupation, that service is a "business".
- C. If home day care service is not your or any other insured's given trade, profession or occupation but is an activity:
1. That you or any other insured engages in for money or other compensation; and
 2. From which you or any other insured receives more than \$2,000 in total/combined compensation from it and any other activity for the 12 months before the beginning of the policy period;
- the home day care service and other activity will be considered a "business".
- D. With respect to C. above, home day care service is only an example of an activity engaged in for money that may be a "business". Any single activity or combination of activities:
1. Described in A.2. above; and
 2. Engaged in for money by you or any other insured;
- may be considered a "business" if the \$2,000 threshold is exceeded.
- E. With respect to A. through D. above, coverage does not apply to or is limited with respect to home day care service which is a "business". For example, this policy:
1. Does not provide:
 - a. Section II coverages. This is because your "business" or the "business" of any other insured is excluded under Section II – Exclusions;
 - b. Coverage, under Section I, for other structures from which any "business" is conducted; and

2. Limits Section I coverage, under Coverage **C** – Special Limits Of Liability, for "business" property:
- a. On the residence premises for the home day care "business" to \$2,500. This is because Coverage **C** – Special Limits Of Liability imposes that limit on "business" property on the residence premises;
 - b. Away from the residence premises for the home day care "business" to \$1,500. This is because Coverage **C** – Special Limits Of Liability imposes that limit on "business" property away from the residence premises. This limit does not apply to antennas, tapes, wires, records, disks or other media that are:
 - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
 - (2) In or upon a motor vehicle.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

ALLIED TRUST INSURANCE COMPANY**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALENDAR YEAR "NAMED STORM"
DEDUCTIBLE – LOUISIANA****SCHEDULE****"Named Storm" Deductible:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Definitions

The following definition is added for the deductible provided by this endorsement:

"Named Storm" means a storm system that has been declared a "Named Storm" by the National Hurricane Center of the National Weather Service.

B. Section I – Conditions

The following special deductible provisions are added to the policy:

1. Applicable "Named Storm" Deductible**a. The applicable "Named Storm" deductible:****(1) Is either:**

- (a)** The dollar amount shown in the Schedule as the "Named Storm" Deductible; or
- (b)** If a percentage is shown in the Schedule, the dollar amount determined by multiplying the Coverage A Limit Of Liability shown in the Declarations by the percentage shown as the "Named Storm" Deductible in the Schedule.

(2) Shall apply during the period:

- (a)** Beginning at the time a "Named Storm" watch or "Named Storm" warning is issued for any part of the state of Louisiana by the National Hurricane Center of the National Weather Service;
- (b)** Continuing for the time period which the "Named Storm" conditions exist anywhere in the state; and
- (c)** Ending 72 hours following the termination of the last "Named Storm" watch or "Named Storm" warning for any part of the state of Louisiana by the National Hurricane Center of the National Weather Service.

2. Calendar Year "Named Storm" Deductible

The following provisions apply only if the "residence premises" is a one- or two-family owner-occupied dwelling:

a. Subject to Paragraph **B.3.b.** of this endorsement, the applicable "Named Storm" deductible described in Paragraph **B.1.** of this endorsement is a calendar year deductible and applies to all covered "Named Storm" losses resulting from one or more "Named Storms" during the same calendar year.

b. With respect to a covered "Named Storm" loss:

- (1)** Resulting from the first "Named Storm" during a calendar year, we will pay only that part of the total of all loss payable that exceeds the applicable "Named Storm" deductible described in Paragraph **B.1.** of this endorsement.
- (2)** Resulting from the second, and each subsequent, "Named Storm" during the same calendar year, we will pay only that part of the total of all loss payable that exceeds the greater of:
 - (a)** The remaining dollar amount of the applicable "Named Storm" deductible described in Paragraph **B.1.** of this endorsement for that calendar year; or
 - (b)** The deductible that applies to all perils other than "Named Storm"

- c. You must maintain receipts or other records of all covered "Named Storm" losses, resulting from any "Named Storm", that are less than the applicable "Named Storm" deductible, and provide us with such receipts or other records as often as we reasonably require, so that we may consider the amount of such losses when adjusting claims resulting from any subsequent "Named Storm" during the same calendar year.
- d. No other deductible applies to loss caused by the peril of "Named Storm" during the period described in Paragraph **B.1.a.(2)** of this endorsement.
- f. Refer to the policy Declarations for the deductible that applies to loss caused by the peril of Windstorm or Hail other than during the period described in Paragraph **B.1.a.(2)** of this endorsement.

All other provisions of this policy apply.

ALLIED TRUST INSURANCE COMPANY**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LIMITED WATER BACK-UP AND SUMP DISCHARGE OR OVERFLOW COVERAGE - LOUISIANA****SCHEDULE**

Limited Water Back-up And Sump Discharge Or Overflow Coverage Limit Of Liability:	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section I – Property Coverages**E. Additional Coverages**

The following coverage is added:

Limited Water Back-up And Sump Discharge Or Overflow Coverage

We will pay up to the Limit Of Liability shown in the Schedule for sudden and accidental direct physical loss, not caused by the negligence of any "insured", to property covered under Section I caused by water, or waterborne material, which:

1. Originates from within the dwelling where you reside and backs up through sewers or drains; or
2. Overflows or is discharged from a:
 - a. Sump, sump pump; or
 - b. Related equipment;
 even if such overflow or discharge results from mechanical breakdown or power failure. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown or power failure.

This coverage does not increase the limits of liability for Coverage A, B, C or D stated in the Declarations.

B. Section I – Perils Insured Against

With respect to the coverage provided under this endorsement, Paragraphs:

- A.2.c.(6)(b)** in Form **HO 00 03**;
2.j.(2) in Endorsement **HO 05 24**;
3.j.(2) in Endorsement **HO 17 31**; and
2.c.(6)(b) in Endorsement **HO 17 32**;

are replaced by the following:

Latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;

C. Section I – Exclusions

With respect to the coverage provided under this endorsement:

1. The **Water** Exclusion is replaced by the following:

Water

This means water which backs up through sewers or drains, or overflows or is discharged from a sump, sump pump or related equipment, as a direct or indirect result of:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which backs up through sewers and/or drains other than as provided for in this endorsement;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs **C.1.a.** and **C.1.b.** of this exclusion.

This exclusion applies regardless of whether any of the above, in Paragraphs **C.1.a.** through **C.1.d.**, is caused by, or originates from, any act of nature, any man made events, or is otherwise caused.

This exclusion applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, reservoir, water main, seawall, embankments or any other boundary or containment system. or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in Paragraphs **C.1.a.** through **C.1.c.**, is covered.

2. The **Power Failure** Exclusion does not apply.

All other provisions of this policy apply.

HOMEOWNERS
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

A. Eligible Property

1. Covered losses to the following property are settled at replacement cost at the time of the loss:
 - a. Coverage **C**; and
 - b. If covered in this policy:
 - (1) Awnings, outdoor antennas and outdoor equipment; and
 - (2) Carpeting and household appliances; whether or not attached to buildings.
2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:
 - a. Jewelry;
 - b. Furs and garments:
 - (1) Trimmed with fur; or
 - (2) Consisting principally of fur;
 - c. Cameras, projection machines, films and related articles of equipment;
 - d. Musical equipment and related articles of equipment;
 - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:
 - (1) Pens or pencils;
 - (2) Flasks;
 - (3) Smoking implements; or
 - (4) Jewelry; and
 - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost loss settlement will not apply to other classes of property separately described and specifically insured.

B. Ineligible Property

Property listed below is not eligible for replacement cost loss settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

1. Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced.
2. Memorabilia, souvenirs, collectors items and similar articles, whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

C. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in **A.** above:

1. We will pay no more than the least of the following amounts:
 - a. Replacement cost at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to Coverage **C**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or
 - e. For loss to any item described in **A.2.a. – f.** above, the limit of liability that applies to the item.
2. If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the actual cash value for the loss until the actual repair or replacement is complete.
3. You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us, within 180 days after the date of the loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

ALLIED TRUST INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PREMISES BURGLAR AND/OR FIRE ALARM
OR PROTECTION SYSTEM**

We acknowledge the installation of an alarm system and/or automatic sprinkler system approved by us on the "residence premises". You agree to maintain this system or systems, for which we have granted a credit, in working order and to let us know promptly of any change, including removal or service termination, made to the system(s).

While failure to comply with any of the conditions above will not result in denial of a claim, we reserve the right to discontinue the benefits of this endorsement, including any related premium credit, in the event of such a failure.

All other provisions of the policy apply.

ALLIED TRUST INSURANCE COMPANY

HOMEOWNERS
ALLIED HO3 AIC 19.09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC INCREASE IN COVERAGE

The Limit of Liability shown on the Declarations for **Coverage A - Dwelling** may be increased at each renewal due to an inflation factor established by a nationally recognized index of construction costs. Any adjustment made to the Limit of Liability for **Coverage A - Dwelling** will result in a proportional adjustment to **Coverage B - Other Structures**, **Coverage C - Personal Property** and **Coverage D - Loss of Use**, if these coverages are included with the policy.

If the amount of insurance shown on the Declarations for **Coverage A - Dwelling**, **Coverage B - Other Structures**, and **Coverage C - Personal Property** does not adequately reflect the value of your property, any adjustments made for inflation may not be sufficient to provide full recovery should a loss occur. The amount of insurance shown on the Declarations and any adjustments made for inflation will be the most we will pay in the event of a loss, subject to the Policy terms and conditions. You agree that it is your responsibility to ensure that each of the Limits of Liability shown on the Declarations is appropriate for your insurance needs. If you want to increase or decrease any of the limits of liability shown on the Declarations, you must contact your agent to request such a change.

This endorsement, and any changes that result from it, does not guarantee that you will have adequate coverage.

Your policy premium will be impacted by any changes made as a result of inflation.

All other provisions of the policy apply.

